

State Procurement Manual Reform Project

PANEL DISCUSSION



Harvest Procurement Innovation

Panel

- Paul Brady, DNR
- Hartley Murray, UW-Madison
- Monette McGuire, DOJ
- Liz Garland, DHS
- Sara Redford, DOA



Agenda

- Overview and Background
- Main Goals/Objectives of Project
- The Team, The Process
- What's Changing?
- Rollout Plan
- Future State



Overview and Background

- SPM first published January 1982
- Current manual is 157 policies over 420 pages covering policy and procedure for all aspects of state purchasing
- Following STAR and other changes, SBOP initiated a project to overhaul the SPM



Main Goals and Objectives

- 1 Consolidate content, retire expired or obsolete
- 2 Use a “say it once” principle for major concepts
- 3 Incorporate updated enterprise best practices
- 4 Focus on policy, official procedure not process



Team and Process

- Workgroup lead by SBOP and includes members from DHS, DWD, DCF, DOT, DNR, Justice, UW System Admin, UW-Madison and UW-Milwaukee
- Meeting weekly since January 2018
- Team approach to selecting topics to cover, drafting process used



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of HEALTH SERVICES



STATE OF WISCONSIN
DWD

Department of Workforce Development



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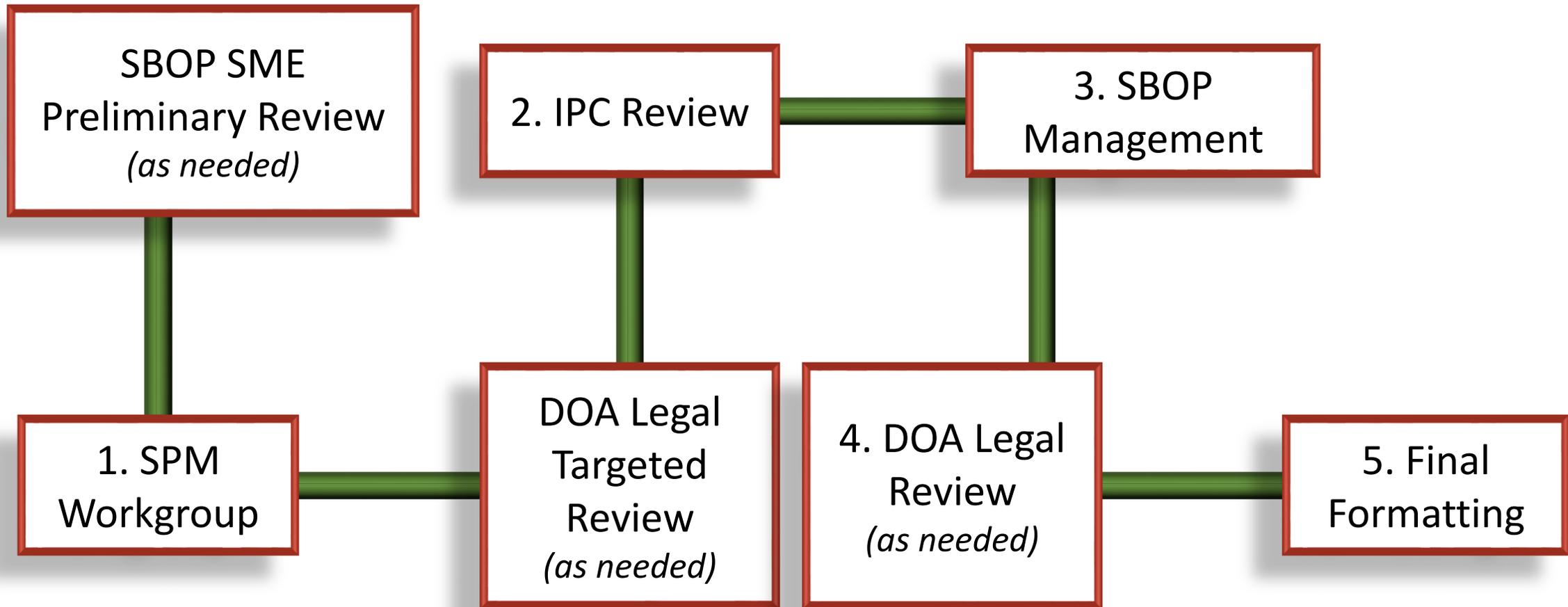
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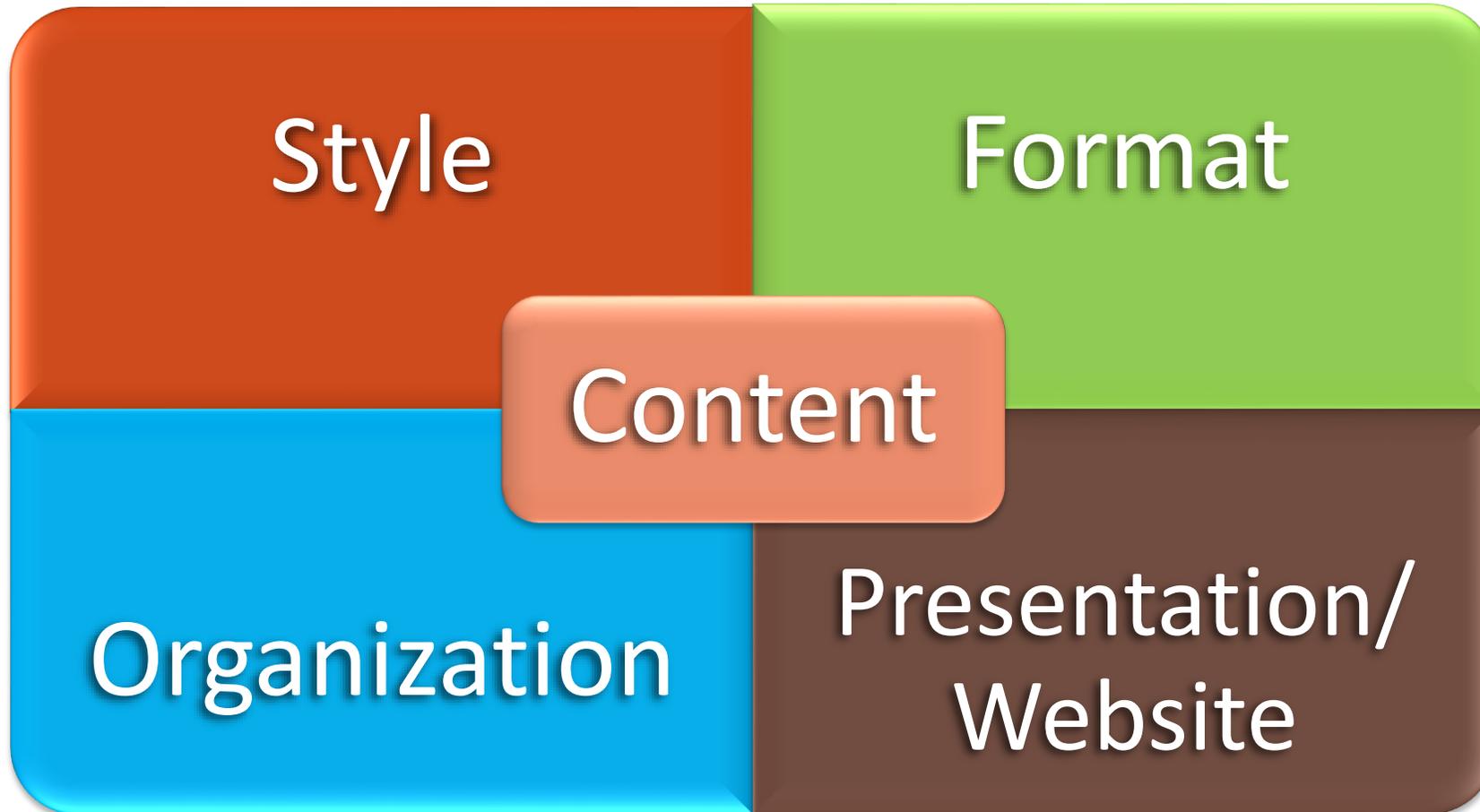
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Team and Process



What's Changing?



Current Organization

Current structure is by subject matter of a major process or type of good/service:

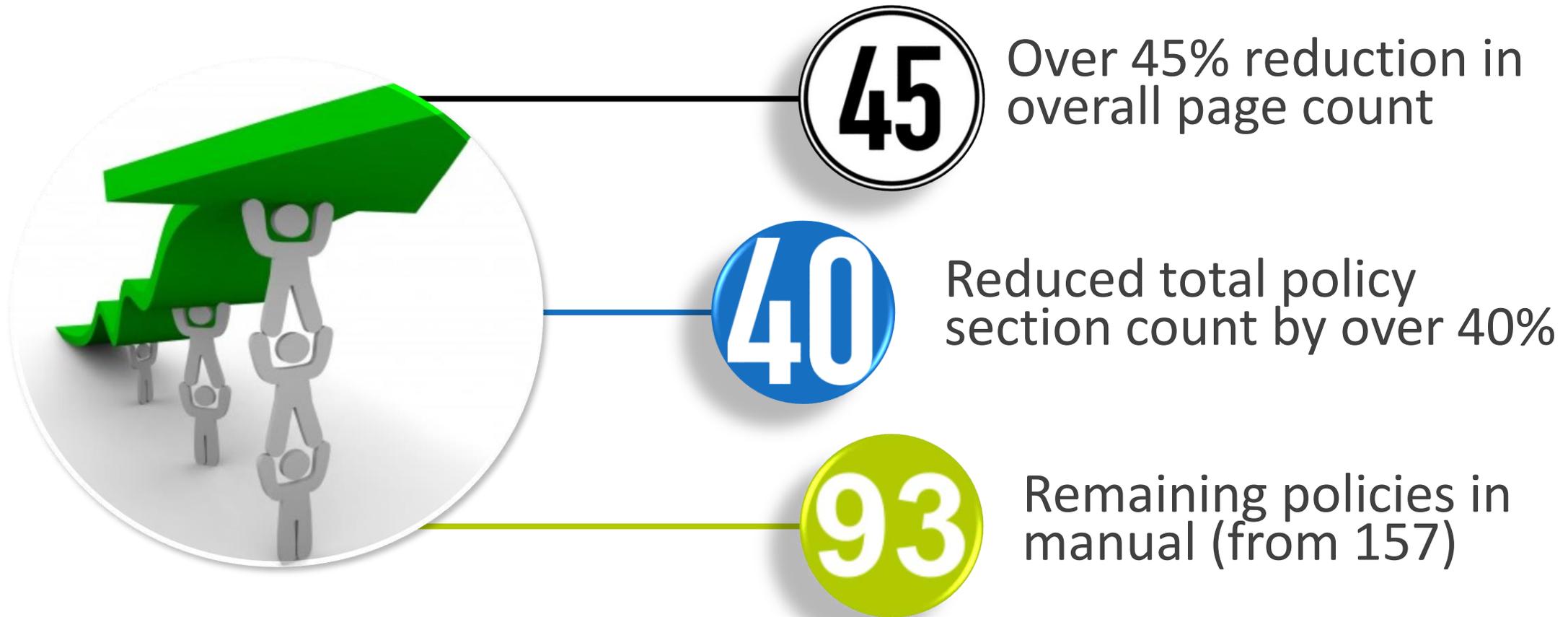
- PRO-A: Introduction
- PRO-B: Statewide Contracts and Standards
- PRO-C: Procurement Process
- PRO-D: General Policies
- PRO-E: Contracting, Ordering, Receiving and Payment
- PRO-F: Transportation, Materials Distribution and Disposal
- PRO-G: Records and Reports
- PRO-I: Contracting for Services
- PRO-J: Printing
- PRO-K: Work Center



New Organization



What's Changing? Content

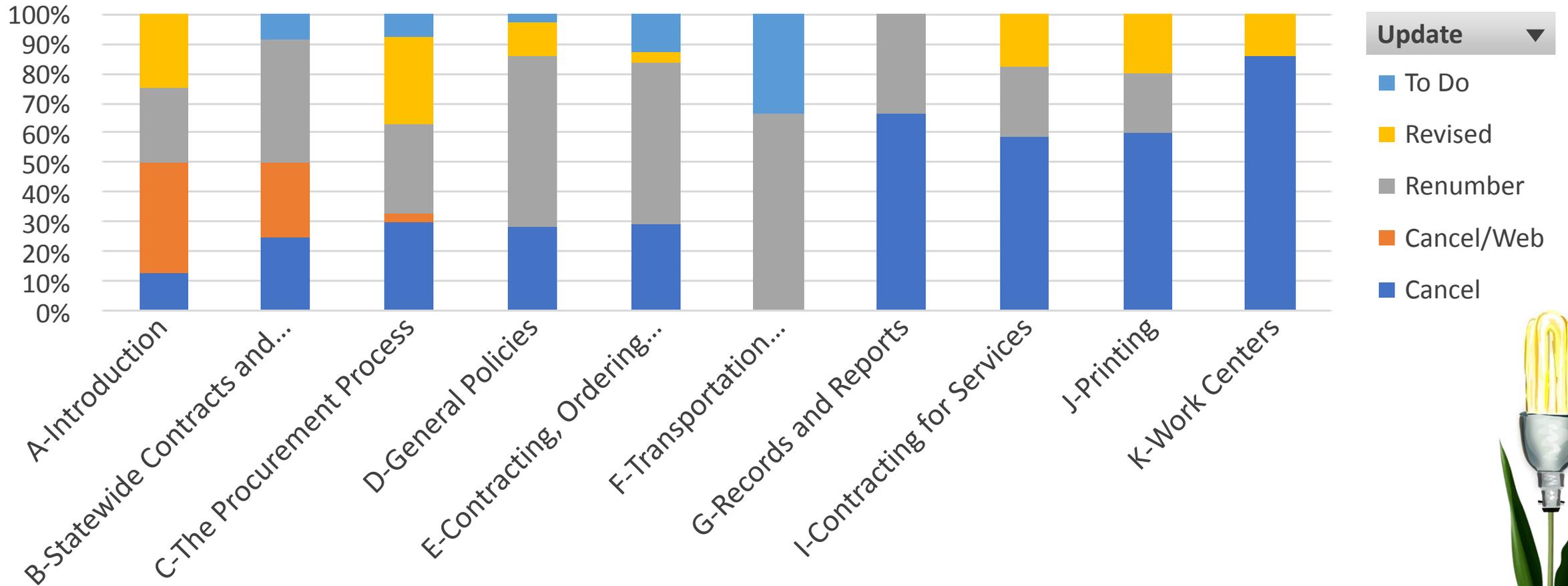


What's Changing? Content

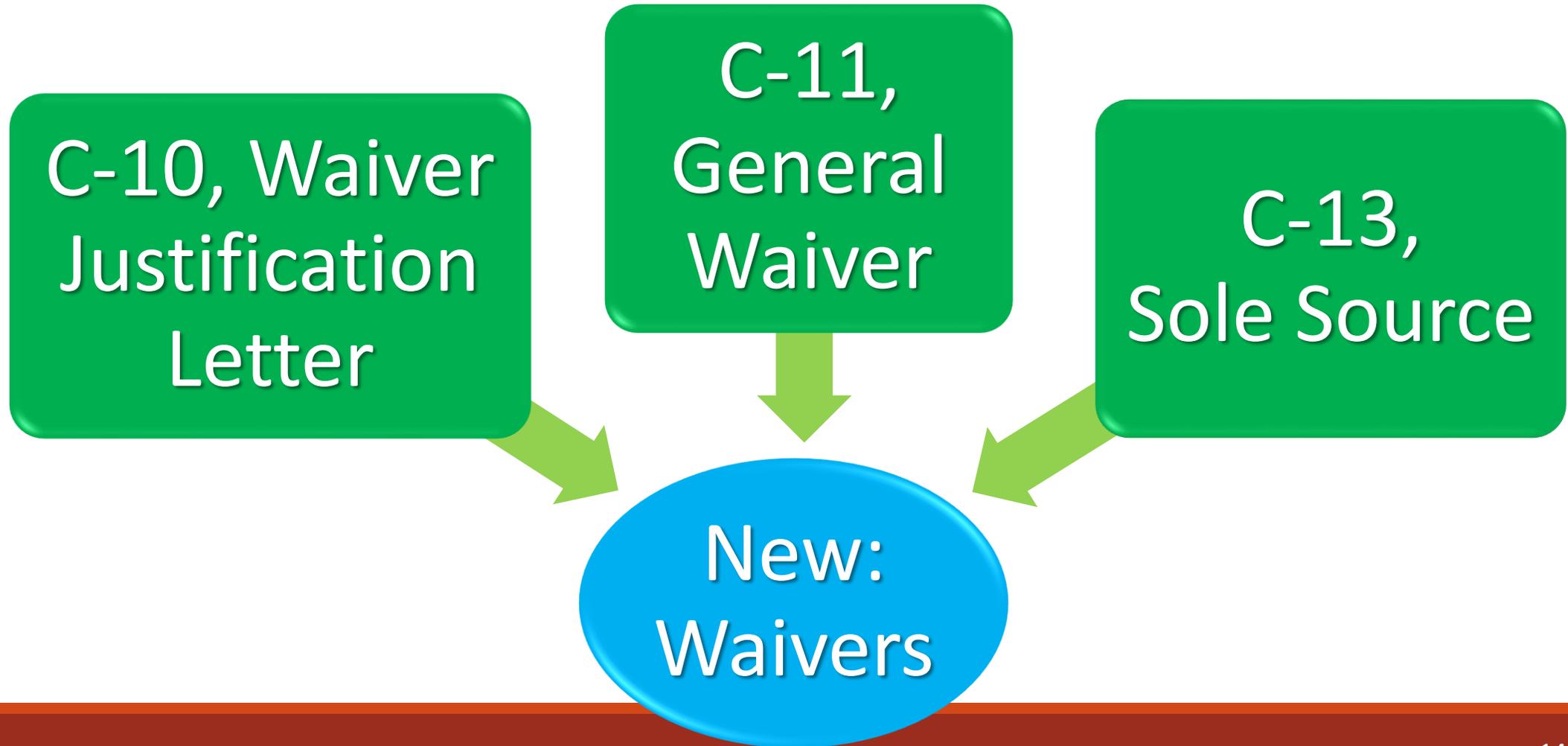
- New manual will be focused on what is required by law and tested, accepted best practice across the enterprise
- Some policies are retired in deference to web content:
 - Example: PRO-C-38 Guidelines for Use of Waivers, etc. will become an infographic used in training
- Some retired policies will become web content:
 - Example: PRO-A-8 SAPC



What's Changing? Content by Section



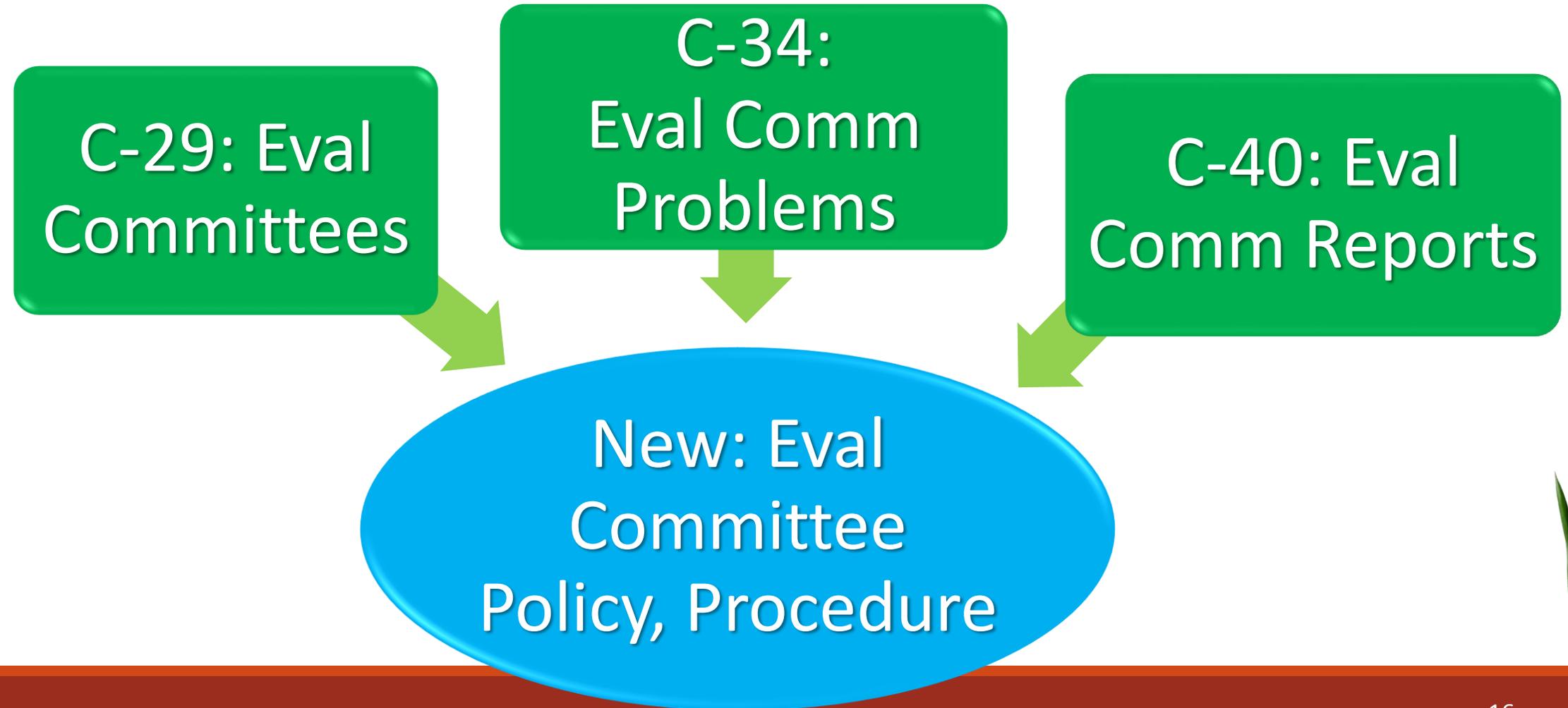
What's Changing: Content (Waivers)



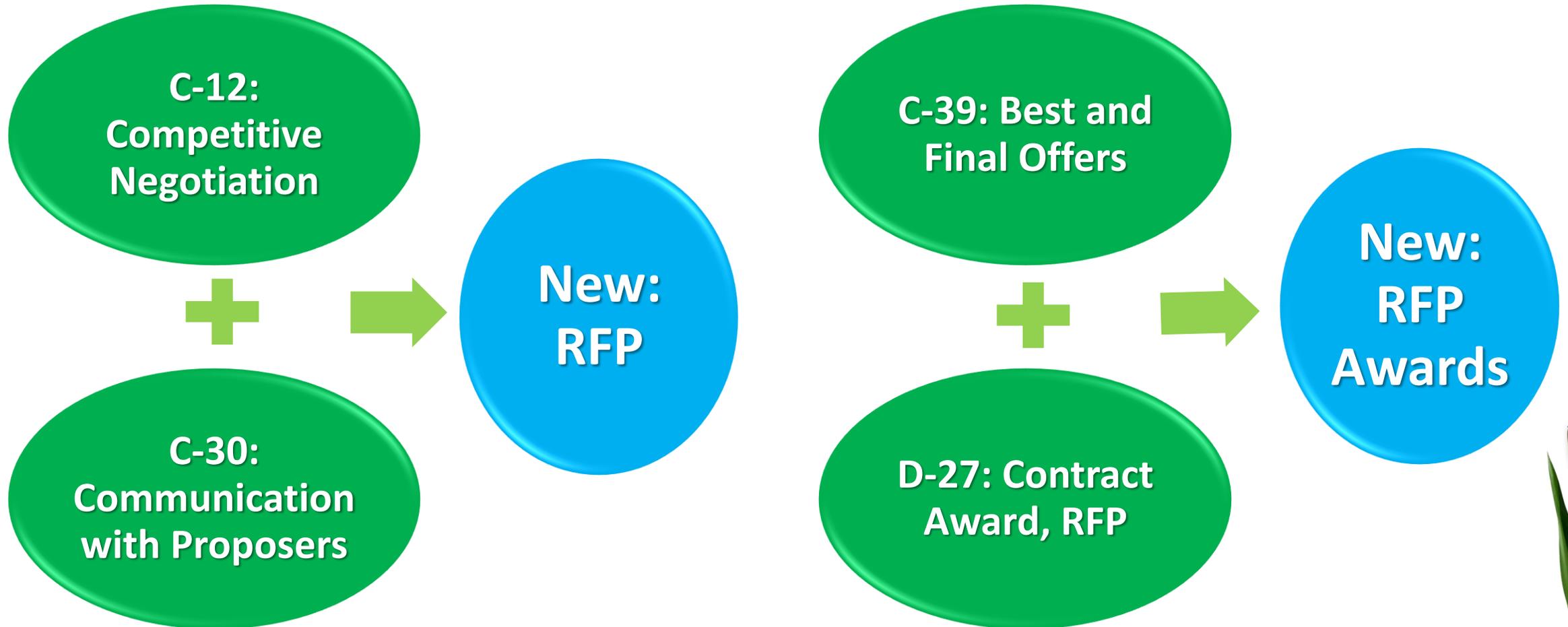
What's Changing: Content (Bid Awards)



What's Changing: Content (Eval Committees)



What's Changing: Content (RFP, RFP Award)

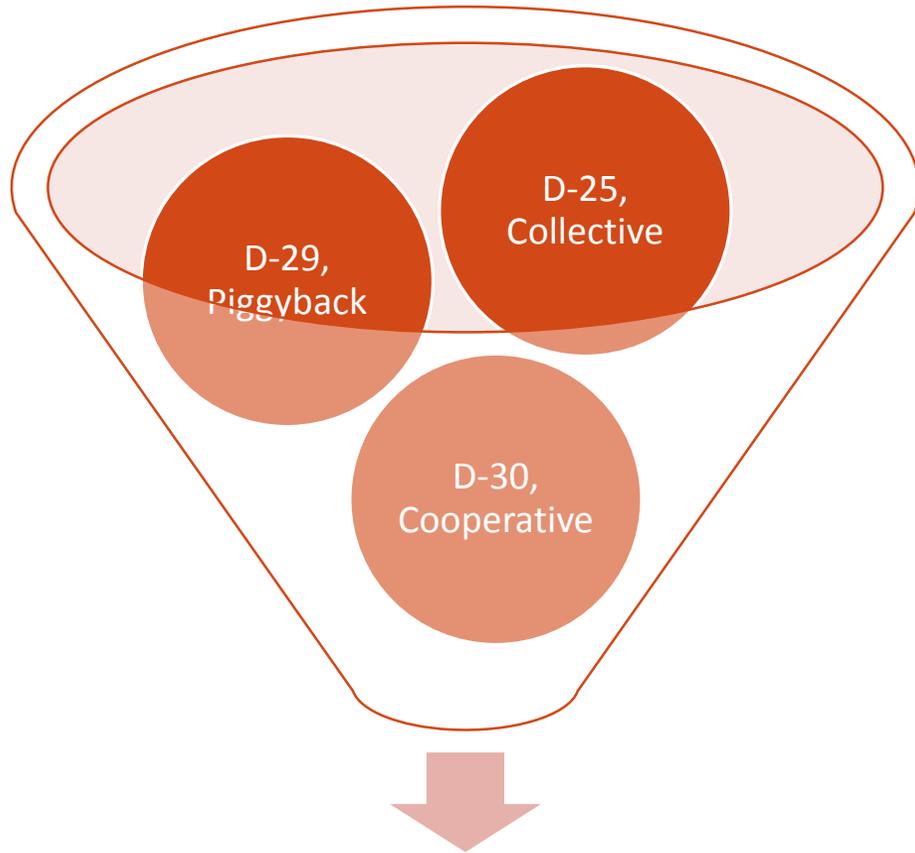


What's Changing: Content (Supplier Diversity)

Existing (17 pages)	New (6 pages)
D-1: MBE Policy	New: Supplier Diversity Procurement Policy and Reporting
D-9: Small Business Policy	
D-10: Council on Small and MBE, Veteran Owned Business	
D-12: Veteran-owned Business Policy	
D-35: DVB Policy	
G-2: MBE Reporting	
G-3: DVB Reporting	



Collaborative Contracts



New: Collaborative Contracting

COLLABORATIVE CONTRACTING: A VISUAL GUIDE

Step 1 → **DOES THIS GUIDE APPLY TO YOU?**

This guide does not apply to you if:

- ✓ Good/service is covered by a mandatory contract
- ✓ Governed by special procurement rules (sole source; legal services; vehicles; printing; signs)
- ✓ Bidding directly from another Wisconsin state agency (interagency)
- ✓ Bidding directly from the federal or tribal government (intergovernmental)
- ✓ Purchase is subject to an exempt grant or payment set pursuant to statute

↓ **Step 2**

WHO IS THE AUTHORITY FOR THE CONTRACT YOU PLAN TO USE?

Wisconsin statutes offer agencies the legal authority to use contracts established by only certain types of entities. It is imperative that an agency conducts due diligence to ensure proper contract authority.

WHO IS YOUR SUPPLIER?

If your direct supplier is another state government, non-profit consortium or Wisconsin municipality, these are considered collective procurements. For amounts over an agency's delegated authority, submit an RPA. If your supplier is a private sector vendor, go to Step 3.

← **Step 3**

State of Wisconsin Agency or Campus	Wisconsin Municipality	Another State	Federal Government	Non-Profit Consortium	Another State's Municipality
Piggybacking	Cooperative or Collective Procurement	Collective Procurement	Collective Procurement	Collective Procurement	None/No Authority
An agency may use a contract established by another state agency if it was established using competitive bidding. The agency must ensure that the scope of need is the same, the contract is open and active, and the supplier is offering the same or better terms and pricing. These are often referred to as the "tests" of piggybacking. This does not apply to contracts established by quasi-governmental entities such as WEDC and WHEDA.	When an agency intends to work with a Wisconsin municipality to procure, this is a cooperative purchasing activity. Cooperative purchasing is also the program which allows an agency to extend its contracts to Wisconsin municipalities to use. When an agency does not participate in the joint procurement effort but intends to use the contract established by a Wisconsin municipality, the request is processed as a collective procurement. The contract must meet the same "tests" of piggybacking.	An agency may use a competitively bid contract established by another state (e.g. State of Minnesota/Cooperative Purchasing Venture) or by a nonprofit consortium supporting government or higher education entities (e.g. NASPO ValuePoint, as each contract "lead" is a state). The "tests" of piggybacking must be met.	An agency may use a contract established by the federal government under limited circumstances when the agency and the State Bureau of Procurement can verify that the procurement process meets Wisconsin's competitive bidding rules. Many GSA contracts are awarded to suppliers that meet requirements and offer a price, but the price is not a material factor in the award decision, so many of these contracts do not meet the competitive bidding test.	An agency may purchase directly from, and/or use a contract established by, consortia groups under limited circumstances when the agency and the State Bureau of Procurement can verify that the consortia is a non-profit that supports governmental or educational services. The contract authority must be the actual consortium, another state or a Wisconsin municipality. If the contract authority is another state's municipality and the consortium is a pass-through, it will not be approved.	State agencies do not have the authority to purchase directly from another state's municipality, or from contracts established by another state's municipality. Several common consortia groups' contracts cannot be used because the procuring entity is another state's municipality (e.g. US Communities, National Joint Powers Alliance [NJPA]).

→ **Step 4**

HOW SHOULD YOU REQUEST APPROVAL?

Different approval tools are used based on the request type. See PRD-D-25 for more information:

Piggybacking	Cooperative	Collective
STAR agencies use form DQA-3831 UW campuses use form DQA-3047	Procurement Plan form DQA-3720	Submit an RPA using form DDA-3046 through http://rpa.wi.gov



What's Changing: Content (Grants, Non-Procurement Transactions)

Existing (8 pages)	New (3 pages)
C-14: Utilities	New: Grants and Non-Procurement Transactions
C-25: Intergovernmental	
C-32: Grants and Other Non-Procurement Transactions	



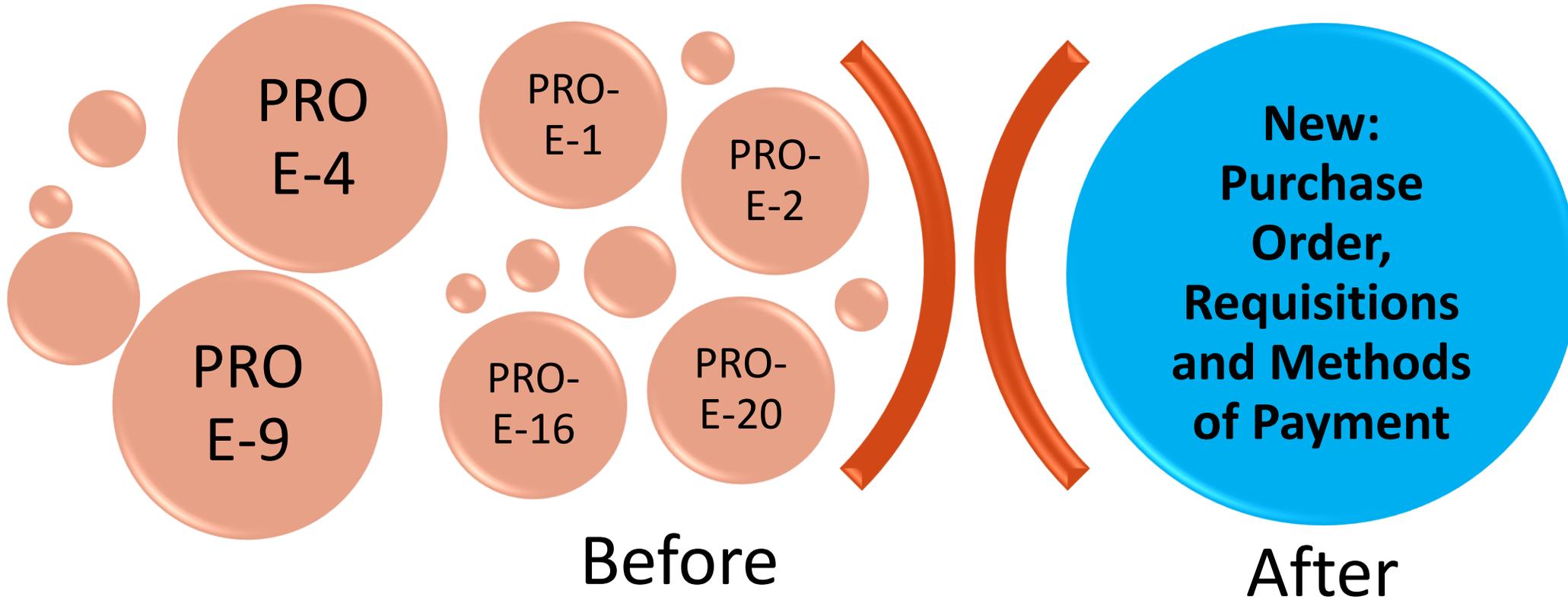
What's Changing: Content (Contractual Services)

Existing	New
I-1: Introduction	New: Contractual Services Procurement
I-13 Appeals Process	

Existing	New
I-15: CBA	New: CBA and Justification for Contracting Revised DOA-3821a: CBA Narrative
I-16: Continued Appropriateness	
I-4: Justification of Need	



What's Changing? Content (Various Transactions)



What's Changing? Format

- New format/template:
 - Legal citations moving to footer vs. first section of the policy piece
 - Nearly all mentions of monetary thresholds and official definitions will move to a central definitions piece



Section	Agencies Affected	Effective	Replaces
THE PROCUREMENT PROCESS	ALL	7-1-94	11-1-91
Title			Page
BASIS FOR BID AWARDS			1 of 4

- SCOPE:** The scope of this policy is to establish the authority, basis and procedures for determining official sealed and simplified bid awards under various circumstances.
- POLICY:** Awarding contracts and rejecting bids are public actions and the procuring agencies performing these functions are guided by the course of action that best promotes the public interest.
- It is the duty and authority of the procuring agency to exercise good judgment, due diligence, and to honestly and fairly determine the lowest responsible bidder(s).
- The lowest responsible bidder is the person or firm submitting the competitive bid with the lowest price that meets the specifications of the solicitation. The award of a contract will be made on this basis except as stipulated herein.
- Wherever such action is appropriate, the procuring agency will award contracts for materials, supplies or equipment on the basis of life cycle cost estimates. See PRO-E-19: Life Cycle Cost Estimates.
- Any and all bids may be rejected for just cause. When the award is made to other than the lowest bidder, and/or when any bid is rejected, a complete written record of the full reason(s) for such actions will be created and retained in the bid file.
- Tied bids exist when the total costs of two or more responses to a bid are identical. Procuring agencies will follow the procedures outlined herein to break a bid tie. If an indication of price fixing exists in any tied bid situation, agencies will follow the policy and procedures set forth in PRO-C-4: Non-Collusion Statement, before proceeding with an award.
- PROCEDURE:**
- I. Determination of Lowest Responsible Bidder
 - A. All of the following factors may be considered:
 - 1) The financial ability to provide the services required or to complete the contract;
 - 2) The skill, judgment, experience and resources to complete the contract;
 - 3) The necessary facilities, staff, personnel, and equipment to complete the contract;
 - 4) The demonstrated ability to satisfactorily perform the work or provide the materials in a prompt, conscientious manner;
 - 5) The demonstrated ability to comply in situations where the award |



What's Changing? Style

- Scope statements move from phrase/list to plain language description
- New distinct sections for Policy, Procedure, Reference
- Replaces Policy or “Content”/Procedure
 - Process content removed if not required by law or best practice, which will be in official Procedure



What's Changing? Presentation/Website

- Prominent search function
- Tile for major sections
- Accordion for other resources

State Procurement Manual Home

The Department of Administration, through the State Bureau of Procurement, purchases commodities and services for the state through direct or delegated authority and establishes policy and procedures for the performance of this function under the governance of Ch. 16, Wis. Stats.

The State Procurement Manual is the official publication for disseminating policy and procedures on the state's procurement function. The Manual is your guide to statewide policies and procedures for obtaining materials, supplies, equipment, contractual services and all other items of a consumable nature.

The State Bureau of Procurement issues the Manual and updates it as necessary. Announcements of updates are communicated to agency purchasing directors or the established contact in the Directory of State Bureaus of Procurement/Transportation and State Agency Purchasing/Printing Offices. This agency contact person is responsible for distributing information within his/her agency.

Agencies with delegated purchasing authority are responsible for keeping up to date on all additions, revisions or deletions published by the State Bureau of Procurement.

SEARCH BAR HERE

 Introduction & Procurement Fundamentals	 Planning & Procurement Strategy	 Competitive Solicitations
 Contract Administration & Transactions	 Exceptions, Waivers, & Special Handling	 Administrative Policy

Procurement Information Memoranda (PIMs) +

State Agency Purchasing Directory +

Other Resources +



Rollout Plan

- New links will be shared with delegated agencies
- Target to publish new website and content by end of January 2019
 - Master cross reference from old to new will be provided as supplement
- SBOP will initiate communication plan using all applicable distributions
 - IPC, SAPC, other meetings as applicable
 - Monthly Newsletter



Future State

- Webinars will be scheduled to provide an overview of changes by section
- Of policies that are still active and renumbered (only) team will redraft content based on urgency of need for change
- Future updates will be published on new website for SPM
- Applicable policy references will be updated in SBOP trainings, publications



Wrap Up, Questions

